THE CANADIAN

personnel

& industrial relations

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A Word About Our Contributors

H. C. HUDSON

The Assistant Coordinator of Disabled Persons for Canada's Dept. of Labour is a charter member of the Toronto Personnel Association, having been one of its founders in 1935.

He is a past president of the Ontario Civil Service Association, past president of the International Association of Personnel in Employment Security, and is at present chairman of the Education and Training Group Professional Institute of the Public Service of Canada.

A McMaster man, Harry was first general superintendent of the Ontario Employment Services of the Employment Service of Canada.

H. C. HUDSON
Assistant Coordinator
Civilian Rehabilitation

From 1941 - 43 he was Supervisor of Placement Operations of the Unemployment Insurance Commission, and Supervisor of Special Placements from '43 to '52.

He assumed his present post when it was created in June, 1952.

R. A. MAHONEY

Dick Mahoney, contributor of "Western Canada's Business Management Goes To School" has taken an active part in the "Banff School of Advanced Management" as an Instructor for three years and as Course Coordinator for the past two. In 1956 he will again act as Course Coordinator.

Dick graduated in Arts from the University of Manitoba and from the Harvard Graduate School of Business Administration. He then worked for Montgomery Ward in U.S.A. until 1941 when he joined the Canadian Navy and served at sea as a Lieutenant until 1945.

From 1946 to 1950 he was Associate Professor in the Department of Commerce at the University of British Columbia, leaving this appointment to go into Industrial Relations work with the Interior Lumber Manufacturers Association.

He is now a partner and consultant in "Management Research (Western) Limited", a Management Consulting Firm dealing with Industrial Relations and Management Training and Development.

Dick is a much sought after lecturer, whose provocative and thought inspiring words are often quoted by members of both Management and Labour, this being exemplified in his work with the Banff School and his participation

in the Seminar sponsored by the Trades and Labour Congress in Banff (See Canadian Personnel and Industrial Relations Journal, January 1955).

His busy life and his hobbies of golf, hunting and fishing have still

R. A. MAHONEY

left him time to raise a family of two daughters and one son and he still finds enough time to take an active part in the Vancouver Chapter of the Pacific Northwest Personnel Management Association, Vancouver Board of Trade, Kiwanis, and other community activities.

ALEXANDER WINN

Alexander Winn has been with the Aluminum Company of Canada since 1942. A graduate in electrical engineering he has done post graduate work in electrometallurgy and electrochemistry. After having spent several years with Alcan engaged in plant technical work he was transferred to the Personnel Department, Head Office, in December, 1947. At the present time he is Manager of the Staff Training and Research Division. One of the Division's primary functions is the administration and implementation of training activities for career personnel throughout the organization. The Staff Training and Research Division also carries out research in industrial relations. Selection of areas for investigation is based on the needs and interests of the Company at any particular time.

Mr. Winn has published several articles in *Personnel, Personnel Phychology* and other professional journals.

PETER MARSHALL ALLEN

Born London, England, May 1924. Educated at Merchant Taylor's School and Imperial College of Science, London University.

Served as a captain in a parachute squadron of the Royal Engineers in India and Burma during the war.

Immigrated to Canada and joined Ontario Hydro in 1947 as a construction Engineer at Des Joachims Development. Sent to England in 1951 to assist with recruiting immigrant construction workers for the Niagara Falls Project. Transferred to personnel Officer for the new Manitou Falls Project in North West Ontario in 1954. Was transferred back to Niagara Falls in February 1955 to take over present duties as Personnel Officer for the Sir Adam Beck Niagara Generating Station No. 2.

An Experiment In Training—
A Program For New Career Personnel

*By A. Winn**

EVERY YEAR the Aluminum Company of Canada, Limited employs a substantial number of recent college graduates as part of the continuous process of building and maintaining the organization. For many years the practice has been to provide these new members of the organization, whenever possible, with a period of orientation and training. This orientation program at present consists of plant visits, temporary job assignments and four weeks of classroom training. The present account will deal with the classroom instruction.

Over the last several years this phase of training has been held in an isolated location in the Laurentians or in the Eastern Townships of the Province of Quebec. There are a number of reasons for this planned isolation. The costs of the undertaking are less than they would be in a larger city. Also, the effects of training are magnified because the students are able to interact with one another outside as well as inside the classroom. Because a large portion of the program time is spent in discussion, the students inevitably get "worked up". In an isolated locale students are able to talk through their conflicts. By eating, playing, studying and living together they carry on the discussion, work off their emotions and gradually develop a capacity to understand and react sensibly and usefully to each other as well as to the situation described in the cases. Another reason for the isolation is that for effective training the student should be divorced from outside programs.

The Alcan classroom instruction in 1954 covered three broad areas:

1. *Human Relations, Labour Relations and Administrative Practices.*
   This training was designed to help the students understand better and respond more effectively to administrative situations. The general approach was to expose the group to cases dealing with actual business situations, from which they might acquire, not only a familiarity with the types of problems confronting administrators, but also the ability to deal effectively with them.
2. *Company Organization and Activities.*
   This part of the program was aimed at broadening the students' knowledge of the Company. It consisted of lectures followed by discussion periods conducted by various Company Officers who covered such widely-varied topics as The Kitimat Project, the corporate organization of Aluminium Limited Group of Companies and Marketing Canadian Aluminum.

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* Mr. Winn is Manager, Staff Training and Research Division, Aluminum Company of Canada Limited, Montreal.

Note: This account is based upon work done by the Staff Training and Research Division of the Aluminum Company of Canada, Limited, in the area of training in administration and human relations during the last several years. P. P. Gil, V. Vroom, D. Sydiaha, Miss E. Goudey and others collaborated in the development and administration of the program
—A.W.

3. *Intergroup Relations and French Language.*
The purpose of this training was to help students develop a sympathetic appreciation of cultural differences between the two main ethnic groups in Canada. One part of this effort consisted of training and practice in conversational French.

Training Aims

The aim of the training is to help the students to become more effective and responsible in working with and through others.

It is possible for a work group whose members are well educated, well adjusted and informed to find it difficult or impossible to work effectively together. It is possible for an intelligent supervisor to be somehow unable to run his department successfully. It is possible for an administrator to spend many years living in a French-Canadian community and yet misunderstand the French-speaking foremen's attitudes and values. It is possible for a manager to feel that he knows his employees intimately and yet be surprised and indignant when they don't seem to accept some of his ideas and actions.

It would appear that effective administration is not only a matter of "knowledge" and intellectual grasp of the logical aspects of a situation. Perhaps what is most important is the administrator's conscious development and practice of a skill by which he learns to relate himself better to others. What is required is a capacity to respond effectively to human situations.

For the newly-engaged university graduate, the training program represents the first stage of his life-long development in business; it broadens his knowledge of the Company; it helps him to understand better the organizational and human world in which he lives; it offers him experience in practicing the skill of relating himself to others more effectively; it provides him with an opportunity to re-examine some of the assumptions, attitudes, views and beliefs he has held about people in general, and about those who come from a different cultural or ethnic background than his own.

THE LEARNING PROCESS

General Remarks

The participants in a case discussion* group come to the training course with many widely different beliefs, attitudes and assumptions about human behaviour in industrial situations. Some individuals feel, for example, that "a supervisor has to 'rake his men over the coals' periodically in order to gain respect" or "give the worker a living wage and he's got all the morale you want." Such statements and many others can frequently be heard.

These beliefs are not unfounded. For the people who hold them they are the natural outgrowth of their personal and social experiences. Some of them can be traced to experiences with particular employees, supervisors and organizations. Others have been picked up as part of the collective beliefs of certain social groups of which the individuals have been members.

Certain of these assumptions and beliefs cannot be dismissed merely as poor generalizations from experience, for they provide a basis for the individual's interaction with others in the work situation. Such beliefs can tend to blind the individual to the real nature of a situation and often lead to quite ineffective admistrative action. Once they have been built up, it is astonishing how these beliefs persist and

* See "Training Supervisors in Human Relations," by F. J. Roethlisberger; **Harvard Business Review**, September, 1951 and **Human Relations and Administration**, edited by K. R. Andrews, Harvard University Press, Cambridge, Mass., 1953.

how experience has a way of confirming them. The individual is seldom provided with the opportunity to re-examine his fundamental assumptions and question their validity for effective administration.

In the case discussion training sessions, the student is given this opportunity, so rarely afforded by the world of everyday experience. In the discussion of cases consisting of factual accounts of administrative problems, the student becomes aware that other students have completely different perceptions of the case, not only regarding the nature of the problem, but also with respect to recommendations for action. Through discussion and interchange of ideas he becomes more sensitive to the feelings, attitudes, and motivations of characters in the case situation. The case method helps each student to examine, recognize and, in many instances, change his attitudes and assumptions about human behaviour and thereby helps prepare him to be more effective and responsible as a member of the organization.

Although the student's first reaction is one of interest and enthusiasm, this often develops into feelings of confusion and uncertainty. Unlike the more traditional forms of instruction with which he has become accustomed, the student is not presented with a series of facts or principles to be learned. Rather the burden of responsibility for the learning is placed on the student himself. The case method provides students with the opportunity to "learn" rather than to be "taught."

Instead of attempting to draw out principles from the discussion, the discussion leader generally uses a non-directive approach, avoiding any judgment about whether a student's comment is "good" or "bad", or "right or "wrong". He reflects the statements of students in such a manner as to help them recognize the feelings and attitudes they bring to the situation, and to look at it from a viewpoint that yields more helpful observations.

Because the case method helps the student to recognize the inadequacies of some of his present assumptions and beliefs, he is often led to look for a scape-goat—an object on which to vent his pent-up feelings of frustration and uncertainty. Someone or something must be responsible for his inability to analyse the case to his own satisfaction. Almost anything might serve as a suitable "scape-goat", but usually it is one or several of the following – the case method; the instructor; the cases.

The students' frightening discovery that each of them sees something different in each case and their accompanying manifestations of resistance usually give way, as the course proceeds, to an increasing acceptance of the differences in the way people perceive events. To the observer this is manifested in an increasing tendency for participants to listen and attempt to understand one another, rather than to conduct monologues designed to catch the instructor's attention. The members of the group have achieved a condition that is essential for true learning to occur – an interest in learning from one another.

The 1954 Program

The emphasis during the early part of the 1954 training course was on cases in Administrative Practices. The case method immediately caught the interest of the majority of students. The case leader's democratic accepting manner and the consequent permissive atmosphere of the discussion group, proved to many to be a welcome change from the traditional formal method of in-

struction and encouraged them to attempt to demonstrate to the instructor, and to their fellow students, their ability to analyse the case. To the external observer, the students, although eager to contribute to the discussion, seldom listened to the ideas presented by others. Hence, at the early stages the discussion tended to be highly repetitive and lacking in continuity.

Toward the end of the first week, the students' initial enthusiasm for the case method began to wane. The feeling that there was seldom any agreement on even the basic issues of any case and the continual experience of frustration that accompanies the realization that others do not perceive the same case situation in the same manner, built up tension to the point where it became obvious to the class and the instructor that the case scheduled for one particular session was not going to be discussed.

This point was reached after eight Administrative Practices cases and four Human Relations cases, on Monday of the second week. Instead of discussing the case scheduled for that session, the class presented a plea for a "system" to be adopted in analysing cases. Many of the students felt that a standard formula and approach to case analysis would prevent participants from wandering in their discussions and would yield superior results with a saving of time.

In the discussion that followed, the case discussion leader took no active part, merely acknowledging the hands of those who wished to contribute. Various systems were proposed by individual students only to be rejected by the rest of the group. As the discussion continued, the students tended toward the realization that it was up to each individual to work out his own system. By the time the session ended, those few students who were still searching for a "system" were beseeched by the others to "give the case method a break".

From this point on, there was much less evidence of confusion and uncertainty. The students seemed to have accepted the case method.

In subsequent sessions it became evident that the class had moved beyond the banes of case discussion (collective monologues, irrelevancy, triviality) into productive discourse. The students appeared to accept more readily the differences in people's interpretation of cases and no longer resisted the opportunity to learn from one another.

The role-playing sessions introduced during the second week as part of the Human Relations program stimulated student interest and enthusiasm. The opportunity that role-playing afforded for actually conducting a conversation in a problem situation gave the participants a chance to become more directly aware of some of the difficulties of inter-personal communication and of some of their own attitudes and feelings that became involved.

Towards the end of the second and the beginning of the third week, the students were given the opportunity to explore, through the methods of case and group discussion, the field of Inter-group Relations. With the assistance of the instructors, both French- and English-speaking students were helped to develop a sympathetic appreciation of cultural differences in the Province of Quebec.

The French-speaking students were noticeably more verbal in their participation in this and other sections of the program than in past years. This could be attributed not only to the introduction of the case discussion approach in Inter-group Relations but also to the experience in a teacher's role afforded French-speaking students in classes in conversational French. The opportunity to lead groups of their fellow stu-

dents in a subject in which they themselves were familiar gave the French-speaking students a feeling of security in their relationships with others in the group and encouraged them to participate more actively in the discussions.

Towards the end of the program the pace increased considerably, with a consequent reduction in the amount of time available for recreation and relaxation. In spite of this increased work load, however, the interest of the students was caught immediately by the Labour Relations program. The fact that students had reached that stage in the learning process where they felt a need to learn and no longer resisted the ideas of others, enabled the instructor to adopt a much more directive, guiding style of case leadership. The students, who at this point in the learning process were not reluctant to take issue with each other or with the instructor, were forced by a series of questions, to recognize the full consequences of their attitudes and assumptions about the behaviour of the individuals in the case.

The training course concluded with summary lectures. In these lectures, the instructors attempted to summarize the areas that had been discussed, tieing the threads together into a philosophy of administration of which they encouraged students to be conscious, not only in their work, but in other facets of their lives.

Evaluation of the Program

Students' Evaluation

The students' reaction to the program was assessed by means of an anonymous opinion questionnaire given at the conclusion of the sessions. In completing the questionnaire, all of the participants commented on one or more aspects of the program. The overall tone of the participants' comments was highly favourable. The following comments are indicative of the general feeling:

> "I feel the company is doing a thing of priceless value both to the students and to itself by this training. I have learned things about the company which normally would take years to learn, if learned at all."

> "Certainly one could not help but be thoroughly impressed by the course. It starts one on the road to cautious critical examination of oneself and, to me, this is a great achievement."

Most of the students went into some detail in describing the benefits which they felt they had attained. It is not surprising that the most frequent comment centered around an increasing awareness of the importance of human factors in administrative problems. Participants felt that they had developed attitudes and skills which would help them to be more understanding, useful and responsible members of the organization. Two of the students commented as follows:

> "The important thing that I have learned is to appreciate the necessity to consider human feelings in a work situation – the need to explore the motivation behind the actions and the need for a conscious and planned approach to administrative problems."

> "For four years our thought was stimulated by mathematics and the sciences, but not by any course dealing with human relations and human problems. I say with confidence that this course filled a very important gap between technical knowledge and getting the job done."

A number of students commented on the fact that they felt more a part of the organization as a result of the training course. The opportunity to listen to Company Officers speaking on widely different aspects of the

organization, and to meet and work side by side with individuals who would be returning to many different areas, helped to increase the students' understanding of the broader picture into which their work fits, and resulted in their more complete identification with the Company. One student expressed his thoughts as follows:

> "The Phase strengthened or helped develop the 'we' feeling toward the company. The bringing together of a group from largely different educational and social environments for a successful endeavour promotes company morale, personnel development, and demonstrates the reconciliation of group differences. I feel the Phase an important training method."

The Inter-Group Relations section of the program was singled out for comment by a large number of students. Students seemed to feel that they had gained an increased understanding of the French Canadian-English Canadian problem which exists in this country. A few participants stated that for the first time they had been forced to recognize their prejudices and re-examine them in the light of this important aspect of the course.

A number of students expressed a need for an opportunity to participate in further courses with similar content. To these individuals, the course was not merely a new educational experience, but represented the beginning of a continuing process of self development which should be supplemented, they felt, by further courses.

Evaluation of Students' Learning

To evaluate their progress in the course, the students were asked to submit a written analysis of a single case study on two separate occasions, the first near the beginning and the second at the conclusion of the course. The analysis of the grades indicated that the improvement of the papers was significant, i.e. the difference in grades before and after the course would not have occurred by chance more than once in a thousand times.

A number of criteria were used in grading the papers. For example, good papers demonstrated a recognition of the complexity of the administrative situation, indicating the multiplicity of influences affecting the behaviour of individuals in the situation, such as group code, economic incentives, past experiences, "what management says" versus "what management does" and so on. On the other hand a paper was graded poor if the problem was attributed to a single cause or to a single person.

Another criterion which was given considerable weight was the degree to which the student demonstrated a realization of the importance of human feelings, attitudes and values in his analysis of the case and recommendations for action. The papers were examined to determine whether the writer approached the problem from a situational viewpoint—which involved human relations – as opposed to a legalistic, mechanical interpretation which ignored them.

The 1954 training program merely scraped the surface in helping students to develop new and more effective ways of thinking and responding in administrative situations. To be sure, the above indicates that students improved their capacities to analyse the case situations before them. It is expected that some of them reached the point where they were able to re-evaluate their personal experience and learn a more useful lesson from them. However, the extent to which these insights will be translated into more skilful behaviour in the work environment to which the student

returns can merely be the subject of conjecture.

Administrative skills are no exception to the rule that learning is not restricted to the classroom. The administrator's life is a continuous series of problem situations out of which learning can emerge. It is hoped that the training program contributed in some measure to starting in motion this life-time process, helping students to evaluate and learn more useful lessons from their future work experiences and making their work more interesting, satisfying and effective.

References—Fact or Fantasy

PERSONNEL PANORAMA, organ of the Pacific Northwest Personnel Management Association, raised this question in a recent issue.

One of our members writes that the longer he is in personnel work, the more dubious he becomes about the value of reference material as it is currently being obtained by most companies.

He points out that "in general there are two sources, personal references and former employers." The first one, personal references, he writes off immediately as being "of no value other than a possible means of locating the person at some later date after termination if the occasion should arise." In his opinion "personal references are not given unless they will be favorable and are therefore not reliable."

The second source, former employers, has more potential for being valuable and informative but, in his opinion, are "far from being reliable." He gives several reasons for his opinion.

First, he has had experience "where former employers refuse to make any statements of a derogatory nature in writing on advice of their attorneys and answer references by verifying dates of employment and adding the statement 'services satisfactory', which covers the range from completely satisfactory to terminations for cause, including dishonesty."

Other employers take the perfectly logical position that "whenever a person fails on the job it is in a large measure the employer's fault and the employer is not willing to jeopardize the person's chances for future employment."

Then there are "those employers who take a personal delight in giving a person who leaves their employ a 'bad time' and they will really give the person 'the works'."

There are, "of course, employers who try to do a very conscientious job and really give the information as they see it."

"How," asks the member, "can you tell when to rely on a reference?" Are references worth all of the time and cost to get them?" "Should personnel men try to work out a 'code of ethics' with respect to references so that at least they can rely on each other?"

The member states that "he realizes that he is only scratching the surface with respect to references, but would like to have some good sound advice from other members."

Please let us help this member by sending in your answers. We think that many personnel men may be having the same questions.

Editor.

Industry Can Cut Its Losses By Facing Up To Alcoholism

Ontario Survey Shows Six Per Cent of Payroll May Be Trying To Solve Problems With Alcohol —Helping Workers Has Proved Profitable To All

*By Robert R. Robinson**

THE RELATIONSHIP between alcoholism and industry is a two-sided coin. It involves both the question of alcoholism's effects on industry and industry's effects on the development of alcoholism. And there is an important need for research into both aspects of the relationship.

It should, of course, be clear to anyone at a glance that a disorder which afflicts 16 out of every 1,000 adults in the province of Ontario (and by conservative estimate 150,000 persons in Canada) will prove costly to companies employing these sick men and women. A glimmer of just how costly this is may be seen in the finding that alcoholics in industry have an absenteeism rate upwards of 18 days per year (as compared with an estimated seven or eight days' sickness for average employees in Ontario). Then you can multiply this absenteeism rate by the fact that six per cent of the personnel in 10 typical companies (relatively small companies employing fewer than 200 workers) surveyed by the Alcoholism Research Foundation of Ontario were diagnosed as problem drinkers or alcoholics. The resulting direct loss is staggering enough, even if you make no allowance for the implied indirect effects —interruption in production schedules, inefficiency in the hangover period after returning to the job, wastage of materials, increased accident risk, and the more subtle effects on the morale of the alcoholic's fellow workers who have to carry him at least part of the time.

It's enough to make an executive's hair turn grey – or drive him to the bottle himself. That the latter may at times occur is suggested by the fact that 5.5 per cent of all alcoholics uncovered by the Foundation's survey of a typical Ontario county were found among the managers and owners of business and in the professional group. (Table 1 shows the breakdown of the entire alcoholic population of "X" county by job classification.)

This table, revealing as it does that 60 per cent of the alcoholics found were skilled, semi-skilled, or white-collar workers, or in the upper income brackets, will effectively dispel the tired, old stereotype of an alcoholic as a Skid Road bum. Only 6.3 per cent of the total alcoholic population fits into the "transient or casual labor" group.

**Mr. Robinson is Director of Education for the Alcoholism Research Foundation.*

TABLE I

OCCUPATIONAL STATUS OF ALCOHOLIC POPULATION OF "X" COUNTY, ONTARIO

Category *	%
I Professional, managerial, proprietory	5.5
II White collar	7.4
III Skilled and semi-skilled	48.0
IV Unskilled	29.3
V Transient or casual	6.3
VI Retired	3.5

*I Include physicians, engineers, lawyers, clergymen, business owners, teachers, persons in responsible supervisory positions, nurses, etc.

II Includes office clerks, stenographers, typists, salesmen, grocery clerks, etc.
III Includes bakers, mechanics, machine operators, toolmakers, brick and tile makers, boiler firemen, carpenters, electricians, painters, plumbers, farmers and stock raisers, etc.

IV Includes janitors, laborers, farm helpers, waitresses, charworkers, cleaners.
V Includes all types of incidental or casual labor in which hiring is done by the day; also unskilled laboring jobs which have been held for short periods of time.

These are dependable figures, by the way, derived from a well authenticated, painstaking survey of all the alcoholics in one Ontario county which was selected because its population was representative of the total population of the province in terms of urban-rural distribution, occupational classification, age, sex, religion, cultural background, etc. The results obtained relative to this question of alcoholism in industry are among the most valid achieved to date anywhere in the world. Arrived at independently, they check closely with results obtained by applying the Jellinek Estimation Formula, a well-tested yardstick for determining the number of alcoholics in a given population.

The problem exists in Canadian industry, then, and in substantial proportions. What is Canadian industry doing about it?

Industry Doing Little

The answer, at the moment, is: "Regretably little". That is, if we take the overall view. In isolated instances there are hopeful signs among both large companies and small. One of the larger employers taking steps to combat alcoholism among its employees at every level is Bell Telephone of Canada. Both policywise and in practice the Bell has taken action to have alcohol addiction regarded as an illness and dealt with accordingly. The Bell, Imperial Oil, and an increasing number of smaller companies refuse to take the view still held by a great many Canadian employers who simply fire a man when his drinking gets in the way of his work.

Bell Telephone encourages employees with a drinking problem to seek medical help without delay. Each case involving a health problem is eligible for sickness disability benefits or disability pension if the condition is sufficiently advanced to incapacitate the man or woman. Where possible, final disciplinary action in cases of alcoholism is delayed until health factors have been adequately reviewed and treatment has been undertaken without success.

"The board of directors is amazed at the results of this policy and the number of employees we are now bringing under control," reports Dr. W. H. Cruickshank, Bell medical director. "Incidentally, they like to look at the amount of money we're saving them too."

The money-saving view is a realistic one for any company to consider. The typical picture of an

alcoholic in this country is that of a man in his most productive years — in his late 30's or early 40's. And it is the picture of a man in whom the company has a substantial job-training investment. He is not to be lightly discarded, even from a strictly dollar and cents standpoint.

A study of some 2,000 alcoholics by the Yale Centre of Alcohol Studies backs up this point, for it shows that more than half of them had held the same job for at least three years, a quarter of them for at least 10 years. This fact probably accounts for the long-suffering patience of some employers with problem-drinking hung-over workers. They hate to lose a veteran, even if he is a little undependable, and replace him with a greenhorn. "Too much at stake", they say; so they let him drink his way gradually down the scale until there seems no alternative to firing him. Then they're stuck with a greenhorn anyway.

How much more sensible and less wasteful if they were to get the unfortunate employee into medical treatment just as soon as his problem becomes apparent. As in other illnesses, the earlier he seeks treatment, the better are his chances for recovery.

Sources of Help

Treatment for alcoholism is more easily come by today than ever before. There is a better understanding of the disorder on the part of physicians generally, and particularly on the part of industrial physicians. Public general hospitals are learning how they can handle even the acutely intoxicated patient without undue disturbance on the regular medical ward. And in Ontario, British Columbia and Alberta the provincial governments have opened treatment facilities with staffs specially trained to deal with the more complicated cases. Other provinces are studying the problem and getting ready to follow suit.

Specifically, any resident of Ontario who has a problem with alcohol and a genuine desire to do something about it can get help from the Alcoholism Research Foundation at 9 Bedford Road, Toronto 5 (or at 287 Queens Avenue London, or 185 Metcalfe Street, Ottawa). In British Columbia the address of the Alcoholism Foundation of B.C. is 1690 West Broadway, Vancouver; and in Alberta, it is the Alcoholism Foundation of Alberta, 9910 103rd Street, Edmonton (or 737 13th Avenue West, Calgary).

So much for the effects of alcoholism on industry and what can be done about it. Now what about the other side of the coin — the effects of industry upon alcoholism?

Dr. Cruickshank hinted at the point recently in an address to the Rotary Club of Montreal.

"It has been shown that alcoholism is a health problem which takes its greatest toll within the industrial population," he said. "It would seem logical then to expect industry to assume an important role in its prevention and control. It would seem logical for industry to provide those conditions of work which would contribute to the health and satisfactions of its workers, a basic consideration to good mental health . . . "

"Those conditions of work which would contribute to the health and satisfactions of its workers" — that's the key. And to grasp the significance of this key, it must be understood that alcoholism is simply the outward appearance of dissatisfaction and disorder within the individual. In other words, alcoholism does not come in bottles but in much more complex containers—in human personalities. The sources of alcoholism are not found on the liquor vendor's shelves or in the beer parlor, but rather in the places where the alcoholic has been brought up and where he lives and works.

Psychiatrists and other clinical and research workers, on the basis of their study and experience, have come to believe that alcoholism is a health problem which is a manifestation of the inability of an individual to live in harmony with his environment. Presumably then this disharmony may be traceable to either the individual's personality as it has developed from childhood, or to the environment in which he is living, or — most likely — to both and to the interaction between the two.

Work Situation Important

Since the eight hours or more of each working day use up a substantial share of every person's waking life, it follows that the working environment has a tremendous influence on all employed men and women. The work situation is, in fact, a major part of our total environment. It is easy to see, therefore, how an adverse, unsatisfying set of conditions in office, shop, or factory may very well contribute to the development of alcohol addiction. The seriously upset worker can very quickly learn to depend upon the anaesthetic effect of alcohol to deaden his or her unhappiness, to relieve pent-up feelings and frustrations, to release tensions and to make life appear more bearable — at least temporarily.

"Anxiety, excessive tension, lack of recognition will produce in one individual one symptom complex, in the other it may produce alcoholism," observes Dr. Cruickshank.

Looking at alcoholism in this total mental health perspective suggests another important point to those seeking its control in industry. It suggests very clearly that this one "symptom complex" should not be separated from other manifestations of trouble and be made the subject of an isolated control program. In the considered opinion of many industrial physicians, alcoholism can be dealt with most effectively as an integral part of the overall industrial health supervision job.

Industry, then, can take positive steps to reduce the hidden but huge extravagance of permitting and even encouraging alcoholism to develop within its own ranks. It can take steps on two levels, as it were — through early detection and treatment of existing problem drinkers, and, in the longer view, through prevention. Both steps require education from top to bottom of every organization — education in the meaning and nature of alcoholism, education which will lead to the formulation of intelligent and profitable policies and to their acceptance and use at all levels of the company. And, in the longer view, management can continue and extend its efforts to build up the job satisfactions available to all personnel.

What Is An Alcoholic?

These are the definitions of three types of "alcoholics" used in the survey of alcoholism in "X" county, Ont.

Problem Drinker: A man who gives evidence of:

Excessive drinking of a repetitive nature.

Alcohol Addict: A man who gives evidence of excessive drinking of a repetitive nature.

Loss of control over his drinking.

An inability to break with the drinking habit.

Deterioration of inter-personal relations, as a consequence of these.

Chronic Alcoholics A man who gives evidence of:

Drinking in an uncontrolled way for a prolonged period.

As a consequence, suffering one or more of the diseases of chronic alcoholism (such as, cyrrhosis, malnutrition, certain mental disorders).

Civilian Rehabilitation In Canada

By H. C. Hudson *

IN THE SELECTION of workers to fill vacancies at any level of industry or business, management should not overlook the so-called physically handicapped. The manner in which wounded ex-service men have fitted into the economic structure, following treatment and training, has provided the inspiration and experience for a national programme of rehabilitation now getting into high gear in Canada. The first steps in this direction were taken at a National Conference called by the Government of Canada and attended by a virtual cross-section of the country, including representatives of all provincial governments; organized employers and workers; the medical profession; social services; and various voluntary agencies working on behalf of specific groups of the handicapped.

As a direct result of this exchange of views and experience, the Minister of Labour for Canada set up an advisory committee, established a Civilian Rehabilitation Branch in his Department, and announced that the Government was prepared to share certain administration costs of rehabilitation programmes conducted by provincial governments.

The Minister of National Health and Welfare also announced that existing health grants for the care and treatment of crippled children, the treatment and care of polio victims, specific grants for tuberculosus control and treatment, and an entirely new grant dealing with other aspects of rehabilitation, would be available to the provinces to assist in the development of a rehabilitation programme.

The Government's Purposes

There are two main purposes behind the Government's interest, the provision of facilities to give employers a broader choice of qualified help to fill vacancies in their establishments, and to give the handicapped man and woman an opportunity to obtain those services and appliances necessary to qualify as wage earners.

Eight provinces have fallen in line with the suggestions made by the Federal Government and have signed the Rehabilitation Co-ordination Agreement. In addition, they have appointed Provincial Co-ordinators to work in close co-operation with the National Co-ordinator of Civilian Rehabilitation, Mr. Ian Campbell. The Province of Ontario has not yet signed the Agreement but has appointed a Director of Rehabilitation Services, who attended the first conference of Provincial Co-ordinators, held in Ottawa in April, 1955. The Province of Quebec is represented on the National Advisory Committee referred to above, and is actively engaged in the promotion of facilities for the treatment and training of physically handicapped civilians.

"Look at the ability; overlook the disability". That, in a word, is the principle being followed by more and more personnel men in hiring the handicapped. Our physical and mental capacities, our personalities, our emotional characteristics, and even our education and up-bringing all impose limits on what we can do.

* Mr. Hudson is Assistant Co-ordinator of Disabled Persons, Department of Labour, Canada.

War Experience

Ample evidence has been produced to indicate that gaps in production lines during the urgencies of war were ably filled by men who could probably not have got to first base in an employer's hiring office prior to the war. But even if many of the handicapped were hired, it was quite obvious to personnel men and employement office managers that a real need existed and still exists in the matter of medical treatment, the provision of prosthetic appliances, and vocational guidance and training. Or possibly a combination of two or more of these elements would be necessary before the placement process was satisfactorily concluded.

Of course, there always have been agencies working on behalf of specific groups of the handicapped, such as the Canadian Institute for the Blind, the National Society for the Deaf and Hard of Hearing, etc., etc. But it was quite obvious that there were and still are tremendous gaps in the services available to the civilian disabled. For instance, vocational guidance and vocational training are frequently all that is necessary to remove a man from the ranks of the unemployed and to put him to work. The new plan now in operation in Canada takes care of these deficiencies to a greater or less extent.

Canadian Vocational Training

For many years we have had in Canada a joint Federal-Provincial scheme known as Canadian Vocational Training, under which the provinces and the Dominion Government share the cost of various types of training for employment. Generally this is done in organized classes where groups of students pursue their studies together. Now, however, the Canadian Vocational Training Co-ordination Act has been broadened in its scope so that an individual who is handicapped can pursue his studies either in a group or on the job, if the course of training he is following will lead to his ultimate rehabilitation. The process of rehabilitation, incidentally, has been defined as the restoration of the disabled to the fullest physical, mental, social, vocational and economic usefulness of which they are capable.

There are at present handicapped students learning a great variety of trades and occupations under this plan. The courses include business administration, stenography and typing, bookkeeping, switch board operating, radio and television, instrument repairing, watch and clock repairing, welding, upholstering, commercial art and fashion design.

Doctors Co-operate

Of course, no plan designed to benefit sufferers from accident or disease can hope to accomplish anything without the whole-hearted support of the medical profession. And that support, which has always been provided in specific circumstances, is now being offered on a more organized basis. Both the Canadian Medical Association and various provincial medical associations have indicated their interest by holding conferences on various aspects of rehabilitation, and by preaching the gospel of rehabilitation in their teaching hospitals and their daily work.

"The gradual elimination of polio is reducing the need for physiotherapy in the treatment of that disease, but is also an incentive for increasing rehabilitation facilities for other diseases", Dr. G. F. Strong of Vancouver stated recently. Dr. Strong is Chairman of the Canadian Medical Association, and he has called physical disability "the greatest cause of life years lost in Canada today" and an "unnecessary waste of manpower". He further says that there had been a strong tendency to

regard rehabilitation as one of the social sciences, rather than a part of medicine, but that therapy is now being recognized as a third important phase of medicine, ranking with preventive and curative medicine.

Closely related to the work of the doctor in preparing men to accept jobs which will not aggravate their disabilities are the physiotherapists and the occupational therapists who have their important parts to play in the rehabilitation process, and they are followed by the medical social workers who can give advice and guidance towards the solution of problems of day-to-day living which otherwise frequently stand in the way of successful employment.

Ottawa Co-ordinates

But somebody has to pull all these various agencies together; take steps to see that gaps are filled; and encourage the community to develop its own resources to the fullest extent. The Federal Department of Labour shares with the provinces that have signed the Rehabilitation Co-ordination Agreement the administrative costs of the programme. The same Department assists in the vocational training aspects of the plan, and the National Employment Service of the Unemployment Insurance Commission participates, through its specialized help in the placement process.

The programme is young, but it is away to a good start, and with the continued support of organized employers, organized labour, the press and, in fact, the entire community, it should result in increasing the pool of manpower available for Canada's continued expansion. At the same time, it will transfer frustrated men and women from the ranks of the discouraged and dependent to the ranks of the wage earner and income tax payer.

LABOUR-MANAGEMENT CLINIC

*By Peter M. Allen**

A SENIOR OFFICIAL of the A. F. of L. in Canada recently said that a company gets the union it deserves. He made this statement while reviewing some current labour-management relationships in Canadian companies, stressing the fact that in most cases co-operation begets co-operation. Conversely, he noted, a belligerent management will cultivate a belligerent union. Neither this labour leader nor his audience believed this to be invariable, but there is plenty of evidence to substantiate the theory that attitudes in labour-management relations are reciprocal.

The Hydro-Electric Power Commission of Ontario has been faced with an ever increasing demand to develop new sources of electric power since the end of World War II. The large scale construction programme which was undertaken inevitably brought about a meeting between the Commission and the craft unions of the A. F. of L. construction trades.

This was a new situation for the public utility but it was met in a spirit of honest co-operation and a sincere desire to achieve harmonious working conditions. After some exploratory meetings, the A. F. of L. unions banded together to form a Council which the Commission agreed to recognize as the sole bargaining agent. In view of the "family quarrels" which exist between the craft unions, this was a major step forward and one which has subsequently been followed in other parts of Canada. From management's viewpoint, this move by the unions solved a tremendous administration problem since nineteen unions were concerned with the Commission's construction operations. This would normally have brought about nineteen separate labour agreements, but through the formation of a Council of Unions and the Council's recognition as the bargaining agent, only one agreement was negotiated to cover all construction trades.

Labour-Management Meeting

This forward-looking beginning fostered further co-operative efforts. Training programmes in labour relations were separately undertaken by labour and management in order to train stewards and foremen. At the conclusion of the first training sessions, a joint dinner meeting was held for foremen and stewards. This proved so successful that it was decided to hold another joint meeting, at which an open question and answer session on labour relations would take place.

Both the unions and management approved of this plan, but it was felt that great care was needed in its execution lest the session degenerate into a general hassle led by a few malcontents, thereby defeating the purpose of fostering better relations through a greater understanding of the problems involved.

After considerable discussion and research, the following plan for a "Labour-Management Clinic" was drawn up, incorporating the prin-

* Peter Allen is Personnel officer at the Sir Adam Beck-Niagara Generating Station No. 2, The Hydro-Electric Power Commission of Ontario.

ciples of the Phillip's "Buzz Session" and "66 Plan."

The Clinic

Labour and management conferees were divided into separate groups of ten and group leaders appointed. The leaders were briefed, prior to the conference, on the details of the programme and the part they were expected to play. Six Conference Guides were appointed from the ranks of labour and management to act firstly as ushers and then to assist the groups during the conference.

A panel of Observers was appointed from the ranks of top management and union vice presidents. Arrangements were made for a Recorder, and a Moderator was selected to control the proceedings.

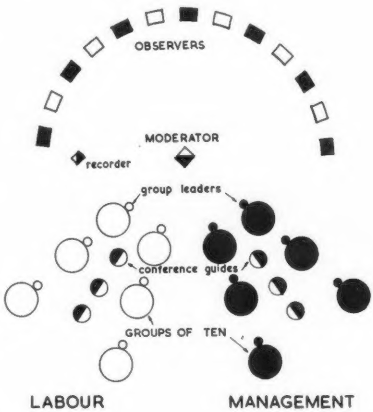
Programmes outlining the discussion area and the conference technique were issued to all participants a few days before the conference. Upon arrival at the conference hall, members were allotted to their groups and introductions of the conference officers and the Observers were made by the Moderator.

Each group was then requested to prepare two written questions. The questions were handed to the Moderator who nominated a group to provide an answer to each question. In general, a management group was selected to provide an answer to a labour group question and vice versa.

Conference Guides worked with Group Leaders at this point, assisting each group to determine the question it wished to ask It is stressed that there was no censorship of the questions, the only stipulation being that they must be about or pertaining to labour relations matters.

Each question was charted by the recorder and conspicuously posted, showing the group number which had been selected to provide an answer. This chart work was supplemented by announcements from the Moderator of the questions asked and the groups selected to provide answers. Some questions were deemed to be grievances or not within the conference framework. These questions were also read out and an explanation given by the Moderator of the reasons why they were considered inadmissable.

After this, group discussion began and coffee was served. Conference Guides again worked with Group Leaders, assisting each group in preparing an answer to its allotted question.



LABOUR-MANAGEMENT CLINIC

The Moderator then announced the first question and called upon the selected group for its answer. Once the answer had been delivered, open discussion was summarized by the Moderator and charted by the Recorder. The conference then proceeded with the next question.

After dealing with as many questions as time permitted, the Moderator turned over the Conference to the Observer group for comment,

clarification and correction of the questions and answers.

A cold buffet was served to complete the evening's activities.

Summary

This experimental conference was a success. Nearly two hundred people were present, including top management, superintendents, foremen, union vice presidents, officers and stewards. A high degree of participation was obtained and the discussion was remarkably free from restraint.

The proceedings moved at a steady pace, but it was not possible to deal with all the questions submitted nor was it possible to explore fully some of the problems that were presented. The record shows that labour had more to say than management, but there was considerable repetition among labour's contributions to the discussion On the other hand, although management contributed less, the points made were more precise and delivered faster.

There was no attempt made to abuse the conference privileges by "lobbying" or turning it into a mass collective bargaining session. Even contentious statements were treated with moderation and all questions were seriously considered even though some were of a frivolous nature.

In conclusion, both management and labour agreed that a follow-up session would be desirable at a later date.

Union-Management Relations and Public Interest

By H. J. Clawson*

I WANT TO SAY a few things today about union - management relations, with particular reference to the impact of this relationship upon the public interest. The public interest can be defined as the material and social well-being of the majority of the people — as citizens at large rather than as members of a specific functional group. My remarks will be concerned mainly with the actions and policies of labour unions in that relationship. Furthermore, I intend to be somewhat critical about such actions and policies.

My union friends might be inclined to label such a project as slightly presumptuous, coming from a representative of management, rather than from some more objective member of the public. If so, I can only say that my criticism of union activties today does not for one moment imply a smug or self-righteous attitude on my part with respect to management's faults, far from it. Nor is this an anti-union speech. I am going to criticize some of the policies and activities of unions and their leaders, but not unions as such.

I shall also try to be as fair and objective as I possibly can—although undoubtedly some of you may be inclined to compare my efforts in this direction with the book about the war between the Northern and the Southern States which was entitled "An Unbiased History of the Civil War — from the Southern Point of View."

* An address by Harold J. Clawson, Director of Industrial Relations, The Steel Company of Canada Ltd., Hamilton, Ont., to the Rotary Club of Montreal, March 15, 1955.

There are few among us in management today who would not admit that collective bargaining in good faith is, on the whole, a fair and sensible method of determining terms and conditions of employment for larger groups of industrial employees.

Certainly, unions are "here to stay", and it is precisely because unions have become such important and powerful institutions in our society, with such a great capacity for evil as well as good, that it is so essential that they begin to demonstrate a maturity and responsibility commensurate with that power. But acceptance of unions does not by any means imply an uncritical acceptance of their conduct. That would be a disservice to the unions themselves, but a particular disservice to the general good.

Here then is my bill of particulars concerning union conduct which, in my opinion, is detrimental to the public interest:

1. *Abuse of the Strike Weapon*

There was a time when the strike was reserved for only the most serious issues; when unions called a strike to remedy grave injustices or flagrant exploitation.

Nowadays, however, union leaders call employees out on strike on the flimsiest of pretexts — often merely because they don't happen to get their own way; or to inflict revenge on an employer for merely refusing to yield to a demand, even though no real grievance happens to exist. Up until recently, for instance, John

L. Lewis called a strike almost automatically every year. Here in Montreal you have had a number of strikes this year, some of which inflicted serious harm upon the public at large. I believe that it could hardly be said that any of these strikes were in defence of some vital right or to redress some grievous wrong. (I might add that the success or failure of a strike in terms of what employees receive in the final settlement does not affect my thesis. Even a so-called successful strike – if it results in serious losses to employees and employers, inconvenience to the public, or the imposition of unjust and uneconomic burdens upon the employer – is unjustified if called in the absence of substantial grounds). In Ontario we have also had several serious and wholly unjustified strikes this year – one of them in a depressed industry where the employer was already paying higher rates than any of his competitors. None of these strikes was called to protect employees against wage cuts or unfair practices by the employer—they were called merely because the employer found it necessary, as a result of reduced sales and profits, to interrupt the process of annual wage increases which had become the pattern during the last fifteen years. (I might say at this point that the union's argument that annual wage increases are necessary to sustain purchasing power, is complete nonsense particularly when you have to strike to get such increases. Ford employees, for instance, each lost over $1,200 in wages during their strike, and it will take them about 11 years to recover this, with the small additional increase they obtained).

Union leaders in key positions have only too often shown a reckless willingness to inflict calamitous losses upon the community in order to get preferred treatment for their members, in order to win trivial gains, or in order to compel changes in public policy. It is bad enough that such power exists – it is far worse that it is used.

And I say to you, and to my friends in union leadership positions, that the public will not endure indefinitely the irresponsible use of such tremendous power. The very survival of our free society requires a reliance on reason rather than on force in determining the rights and benefits of special groups.

2. *Illegal Conduct During Strikes*

Illegal conduct by pickets during a strike are probably even worse than irresponsible use of the strike weapon. Unions must remember that the right to strike is not a natural right. It is only within the last 60 years that the right to strike has been given to the unions, and it was given by the people. Union leaders should remember that what the people have given the people may withdraw.

Prior to the beginning of this century, striking, even belonging to a union, was deemed an illegal conspiracy. Now we have conferred upon unions the legal right to strike – but we have *not* conferred upon them the right to deny other people the right to work if they want to. Our laws state quite clearly that pickets may only attempt to *persuade* other persons not to enter a plant when a strike is on, that force or the threat of force or intimidation of any kind is still a criminal offence. And yet strikers, with the blessing and even under the urging of many of their leaders, now think, and act as though, they have the right to deny the rights of other persons to work, or even to enter a struck plant. Not only threats, but also acts of violence, open defiance of laws, property damage, intimidation of employees and their families, all these have now become the ordinary accompaniments of strikes.

How does this cynical disregard of human rights square with the mantle

of righteousness, idealism and humanitarianism with which union leaders have a tendency to clothe themselves? No matter how just a cause, the means to achieve that cause must also be just. Otherwise, we will have anarchy. Unions cannot hope to claim public support until they abandon gangster tactics in labour disputes.

3. *Internal Administration of Unions*

As long as unions weren't given any special privileges by law or collective agreement, the way they conducted their own internal business was probably of no concern to the general public. Now, however, unions are given a preferred status as exclusive bargaining agents under our certification procedure.

They have also been granted immunity from prosecution under the Combines Act and given many other privileges not enjoyed by other groups. They now claim, through the union shop and other similar devices, making union membership a condition of employment, the right to say who should or who should not have a job. In an industrial society this is virtually the power of life or death.

An employer's right to discharge an employee is now severely restricted by law and by his collective agreements. In the final analysis a third party, an impartial arbitrator will make the decision. Union members have no such remedy if they are expelled from or refused admission to a union. And you would be amazed to see some of the flimsy grounds for which union members can be expelled under most union constitutions, and with no right to appeal to an impartial party. Union officers are both judges and prosecutors.

It is perhaps understandable why so little opposition develops within union memberships, why employees are afraid to cross picket lines or in any way attempt to exercise their independence. The fear of expulsion from membership and thus loss of employment under so-called union security provisions provides an effective but tyrannous discipline.

In the United States under the Taft-Hartley Act a union's power to have an employee discharged by expelling him from membership is severely restricted. Canadian employees enjoy no such protection.

If the abuses I have outlined persist, there will most surely be a demand from the Canadian public for some form of government control over the constitutions of unions, in the interests of the employees themselves and of society as a whole.

4. *Party Politics*

A number of the larger Canadian unions are direct supporters of political parties. This has several unfortunate aspects as far as the public is concerned. One of those political parties happens to be committed to a program of socialism; the other is Communistic. Both favour the nationalization of basic industries. In the case of one of our larger unions, all of the national and district officers are without exception active politicians in our national socialist party. This means that one never knows whether that union is taking a stand on an issue to further the collectivist aims of the party and the political ambitions of the union leaders, or is negotiating an agreement in the best interests of its members.

Another aspect of union dabbling in politics is the misuse of union funds for political purposes. Unions are seeking to extend the check-off of union dues. This means that employees would be contributing more and more money that would eventually find its way into the political war chest of a party which is publicly dedicated to "the eradication of capitalism."

I submit that active participation of unions as such in politics, and particularly the support of doctrinaire socialist parties committed to the destruction of our free enterprise system, is inconsistent with their responsibility as collective bargaining agents for wages and working conditions on behalf of employees.

5. *More Instances*

Under Item No. 5 I could group rather a long list of other instances of union conduct which is contrary to the public interest. We can recall such disgraceful situations as last year's jurisdictional battle between the Musicians Union and the Entertainers Union, which didn't involve any dispute with an employer, but brought serious losses to employers and inconvenience to the public. Such instances are occurring repeatedly in other fields such as in the building trades. Industry is also being constantly plagued by secondary boycotts — where one union arbitrarily refuses to install or handle articles made by members of another union, because of some inter-union quarrel. Here again, unions are stepping out of their legitimate role as the protectors of employees' rights; here is another case where employees, employers AND the public suffer on account of manoeuvres for personal and institutional power by union leaders.

But finally, if unions wish to merit and receive the respect of the community, they must discontinue their destructive attitudes. Have you ever read an account of a union convention? Just recently there was one in Hamilton. The newspapers carried a pretty full report on all the speeches. Nearly all of them were intolerantly critical of something or someone. The President's address consisted almost entirely of tirades against all and sundry. Employers came in for their share (we can take it), the Provincial Government, the Federal Government, the C.M.A., the Chamber of Commerce, Conciliation Boards, Arbitration Boards, and particularly judges who are often chairmen of such boards—all of these, according to this prominent union leader, were ignorant or dishonest. Apparently, as far as he was concerned, the only people who know anything about economics or who have decent motives are union officials and C.C.F. politicians.

Well, there you have some of my criticisms of union conduct. Again, I want to emphasize that I am not crying on your shoulders about the collective bargaining difficulties of management. It is up to us to uphold the interests of management (often the interests of employees also) at the bargaining table. The objectionable things I have mentioned are all matters that vitally concern the GENERAL PUBLIC INTEREST.

Nor am I trying to convey the impression that we in management are without fault. We have made mistakes, but I think it is fair to say we DO conduct our affairs in a manner which is more responsive to the needs and interests of the public, if only because we must. Only by retraining public support for our policies can we businessmen continue to live. You as businessmen know only too well that meetings and conferences of management people always involve a great deal of self-criticism and a search for ways of doing a better job. Contrast such meetings with the average union convention which is often a combination of a mutual admiration society and a stone-throwing contest from the doorway of a glass house.

In conclusion, I don't want you to get the impression that my remarks are directed at all unions and all union leaders. I know that many in organized labour are just as concerned about the sort of things I

have been talking about as we are. A number of them are trying to do an honest job of remedying these sort of abuses and are striving to make the labour movement more mature and more conscious of its responsibilities toward its members, toward employers and toward society as a whole. I sincerely hope that the efforts of these men will succeed. If not, there will most assuredly be a revulsion of public opinion which will inevitably bring about more and more restrictive legislation. Unions have shown startling growth in membership and power during the past 15 years. This has come about almost wholly as a result of an atmosphere of friendly public opinion and the influence of favourable legislation. This could change very quickly—laws can be designed to CURB unions as well as to foster their growth. It is up to the unions themselves which road they wish to take. They can no longer excuse irresponsible and immature conduct by saying they are young and must fight for survival. Union militancy must give way to better union morality. He who would not have a master must be master of himself. Powerful and influential as union leaders may be, they are not, and cannot be, in a democracy, more powerful than all the people.

I can think of no better way to conclude this talk than to quote from a recent statement by Mr. George Meany, President of the American Federation of Labour and President designate of the projected amalgamation of the A.F. of L. and the C.I.O.

"We must conduct ourselves in a way that shows we are an integral part of the community. We must take more and more responsibility for the welfare of the country as a whole. We must not think of ourselves as a group apart; there is no such thing as a proletariat in America. I hope that with this merger we can do a great deal more along this line of community responsibility."

If Mr. Meany's high aspirations are attained, then the unification of these two labour groups will have been a great benefit to the industrial life of this Continent.

An I.R. and P.R. Idea From Honeywell

William Towill, personnel manager of Minneapolis-Honeywell Regulator Company, Toronto, has won an award for merit from the Research Institute of America, one of ten Canadians to be so honored.

The purpose of the awards is to promote over all improvement in company management methods.

Mr. Towill's award was given for setting up a welcome board in various plant locations. On it is posted the name and background of any visiting dignitaries. When a visitor is taken on a plant tour, all personnel is familiar with his name and history.

The idea has created a favorable impression on visitors and helped build good public relations.

The Case For and Against Industry-Wide Bargaining

By Terry Watt*

THE EVENTS of the past may well cause business to examine or re-examine as the case may be, the merits and demerits of industry-wide bargaining. By industry-wide we mean groups of companies in the same industry located in a specific geographical area, which may be municipally located or provincially located, but not located nationally or internationally. Within these lines of demarcation, let us examine the background of collective bargaining and its trend.

Unions have gained their basic strength through minimizing the individuals' activities and emphasizing the group activity. In this lies the basic tenet of unionization. The local unions represent first the one plant, then a group of plants in an area, broadening gradually to encompass large areas. All decisions which are to be made in the collective bargaining procedure for employees in a particular plant are, up to a supervised strike vote, made by the local union. The vast majority of today's locals contain the employees of more than one employer and, in certain locals, employees of different classes and skills employed in different industries. In addition to this, of course, we have local unions whose every move is controlled by the international or national office by reason of the necessity for gaining international approval for most adjustments to the local's agreement.

*Terry Watt is a consultant on labor relations with Management Research (Western) Ltd.

We find then that Companies, in increasing numbers, are no longer bargaining with their employees but with the members of a local union, whose interest is in the group activity of all its members. In fact labour legislation is more and more protecting the right of the local union to bargain exclusively for the employees in a unit.

The present union structure therefore appears something like this:

(a) At the bottom, groups of employees of various employers constituting local unions in a specific area, these locals then joined together in specific area councils, these area councils joined together provincially and nationally into a Canadian organization and it in turn affiliating with international organizations. This structure was built from the bottom up and its rise has been viewed with respect by many people. These organizations, from the local union up, have assumed a place in our economic society and their relative economic strength is of increasing importance.

What then can be gained by business through industry – wide bargaining?

1. The economic strength of a group of businesses can be increased by unified action.
2. Reduces the possibility of the union using one employer as a

lever on the balance of the industry.

3. Reduces the danger of one employer being forced into a dangerous competitive position.
4. Allows the employers to utilize tactics to a greater advantage.
5. Reduces the burden of negotiating time by individual company officials.
6. Makes for better understanding between competitors through co-operation and through this, increases the economic strength of the groups.
7. Allows for a more scientific approach to collective bargaining.

There are certain disadvantages to this procedure and they should not be overlooked.

1. Industry-wide bargaining tends to minimize the consideration of an individual company's problems.
2. It tends to impersonalize employer-employee relations within the individual firms.
3. It tends to remove labour rates from being a competitive factor.

With this summary in mind then, let us in business, examine our relative position and decide upon some course of action that can place it on a better level in the collective bargaining procedure.

Western Canada's Business Management Goes To School

By R. A. Mahoney

THE FOURTH ANNUAL SESSION of the Banff School of Advanced Management held at the Banff School of Fine Arts, Banff Alberta, finished in March 1955.

Business executives, 69 in number, returned to their jobs after six weeks of intensive and practical study, entirely away from the day to day demands of their jobs. This atmosphere of isolation has proven conducive to discussion and seminar study methods. The general opinion among approximately two hundred graduates over the past four years has been that the school is an extremely valuable experience. New ideas and contacts are of great importance. In addition, the Banff environment provides what has been characterised by one person as an intellectual catharsis.

The Banff School of Advanced Management is sponsored by the four Western Provincial Universities. Early in its development, the originators of the school felt that one top notch advanced management course to supply the needs of Western Canadian Industry, would be a much wiser policy than to have each Province putting on its own course.

The course at Banff draws top business administration authorities from all over Canada as faculty members. The enrollment each year is limited to seventy. Each student must fill out an application form and meet strict requirements of age and job responsibility.

While at Banff, he will take courses in Business Policy, Production Management, Financial and Accounting Controls, Human Relations, Collective Bargaining, Busiiness Research, as well as others. The course of study is intensive and everyone is kept busy. As a result, however, the students leave with a

* Mr. Mahoney is Course Coordinator at the Banff School of Advanced Management.

broadened viewpoint and, in addition, gain considerable insight into analytical procedure.

As most persons interested in business management know, The Banff School of Advanced Management is one of several Advanced Management courses on the Continent. Of course, Advanced Management education is only one of several aspects of the tremendous swing towards adult business education within industry.

All management education then should be important to the industrial relations manager and top management education such as is taking place in Banff for six weeks every January and March should be of particular interest.

First – Many persons in the Industrial Relations Field may be interested in having their firm send them on the course.

Second – Human Relations and Industrial Relations occupy a substantial part of the Banff curriculum. To the extent to which management personnel become educated to the importance and complexity of the human relations problem in industry, Industrial Relations people will have an easier job in the future.

A Note on the Cost of Fringe Benefits

*By John R. Kinley**

A NEED for information on the cost of fringe benefits has been recognized recently due to a variety of circumstances. These are in part the less favourable market conditions with which many firms have been faced, and the already substantial and still growing portion of employee compensation that takes this form.

The growth of these costs has been spectacular. Recent studies in the United States indicate that they have increased more than 60 per cent since the late Forties and that they now run at an average hourly rate of 30c to 40c, depending on the items included and the method of calculation used. They, therefore, comprise a sufficiently large portion of labour costs to warrant careful consideration in assessing relative competitive positions and in bargaining discussions. Secondly, easily understood cost information is needed in communicating to employees the advantages available to them in the form of benefits and the large addition they make to real income.

Useful figures of this nature remain difficult to obtain for two major reasons. One is a problem of definition and the other a problem of accounting.

The term "fringes" was first used to designate employee compensation other than straight time wages and salaries but it is hard to find the limits of even these terms. Health insurance and pay for holidays, among others, fall readily into the category, but some benefits are difficult to classify because in one direction they lie close to, or in the area of direct wage payments, and in the other they appear to produce a greater compensation to the employer than to the employee. For

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example, rest periods may directly offset their cost in increased production and medical services may result in greater savings to the Company than to the workers.

Because of this situation it is difficult to know if managements are talking about the same things when discussing fringe costs and for this reason alone general comparisons are unsatisfactory.

Most accepted fringes do, however, fall into fairly well defined categories of pay for time not worked, payments for health and security benefits, and payments for employee activities and bonuses.

This classification has been accepted by the more successful studies on the subject. It limits the costs reported to roughly defined fields after which the only course left open is individual selection according to local circumstances. Premium pay is included in some cases but this can more properly be considered as part of wages, as it is pay for time worked, and is the additional cost of obtaining services at times less convenient to the employee.

The accounting problem mentioned above is a very real road block in obtaining satisfactory data with which to calculate useful fringe cost figures. Few companies have been found that set up payrolls and hours of work records in sufficient detail to separate such items as premium overtime pay from total overtime pay, or hours worked at various premium rates from total hours worked. Some such break down is necessary if we wish to arrive at the most satisfactory cost information.

In addition, the total annual payments made for many benefits are not kept in separate accounts. Difficulty is most likely to be experienced in arriving at the expense to the firm of small items such as jury duty, voting, etc., or those that are among the border line cases, such as rest periods and cafeteria loss. The best that can be achieved for these is to estimate their cost in a uniform manner as, for example, the cost of rest periods may be hours per day, times full time employees, times days worked per year, times average hourly earnings.

If companies wish to reach a situation where they can obtain their own fringe cost information easily and make valid comparisons with those of other companies. it will be necessary to account more carefully all the items concerned and to accept standard methods for making the calculations that remain necessary. Many companies seem ready to make this effort.

The form in which a company should report fringe benefit costs depends largely on the use to be made of the material. It seems best to take the annual amount spent on any one item as basic data and calculate cents per hours, percentage of payroll or dollars per employee per year figures from this. To obtain cents per hour figures it is necessary to use some form of total hours. Surveys have been done using total payroll hours while others make calculations against hours actually worked.

If it is a cost figure one is looking for, productive hours is the only base that provides true results. It may be desirable, however, to develop costs on a common base such as the forty hour week, in which case total hours equals scheduled hours, times the number of full time employees. Such information is probably of most use in collective bargaining.

Cents per hour information seems generally to be of greatest value as it readily provides total and individual information, and can be applied easily in assessing labour costs and in bargaining, where such costs are usually discussed on this basis.

These figures may also be valuable in employee communications but are probably not as effective for this purpose as one of dollars per year, which is more impressive and meaningful. Percentage of payroll is widely used to advantage for any of these purposes.

The above points out some of the more obvious problems in obtaining fringe benefit costs for comparison purposes, but these problems are difficult to overcome. If satisfactory definitions and systems of calculation are developed, the results should be comparable, so long as they are quoted only as cost figures, but they will not tell the full story on a company's fringe benefit position without a knowledge of other elements such as earnings, hours of work, the varied characteristics of the benefits themselves and of any benefits that may have been excluded. Because of this general surveys on fringe costs can only be a rough guide, even if they cover a very wide sample.

A study limited in coverage and closely supervised should produce reasonably accurate information, as some degree of common understanding may be achieved among the participants.

Following these comments is a sample questionaire which is much the same as one that has been used with some success. It may indicate to companies how to approach a breakdown of their costs for their own use or how to obtain information from others with which they co-operate closely in exchange of information.

FRINGE BENEFIT QUESTIONNAIRE

NAME OF FIRM .... DATE ....

ADDRESS ....

CLASS OF INDUSTRY (e.g. electrical equipment, chemical, etc.) ....

PART I

A. Average number of hourly rated employees for 1954 .... ____________
Obtain this entry either (1) by averaging monthly or weekly records of employees on payroll, or (2) by dividing total payroll hours for 1954 by the payroll hours for an average full time employee in 1954. Payroll hours should include all hours paid whether worked or not.

B. Hours actually worked by hourly rated employees in 1954 ____________
Exclude hours paid for but not worked.

C. Total straight time pay for hours spent at work in 1954 ...... ____________
The term "straight time" here excludes *premium pay* for overtime hours, and for hours worked on Saturdays, Sundays or Statutory Holidays, and shift differential but nothing more, that is, all incentive pay and the straight time portion of pay for overtime hours are to be included in this figure.

D. Average straight time earnings for 1954. This equals Part I - C divided by Part I - B .... ____________

PART II

A. PAY FOR TIME NOT WORKED BY HOURLY RATED EMPLOYEES IN 1954

N. B. — General Instruction

In all questions below, where it is possible, enter the amount requested in the "Total dollar cost for 1954" column directly from the payroll. Where this is not possible, use the system of calculating the entry outlined immediately under the question.

	Total dollar cost in 1954	Cents per hour cost in 1954 equals cost divided by Part I-B
1. Payments made for or in lieu of vacations. (Include vacation stamps or payments to those leaving the company before receiving a paid vacation)	________	________
Alternate method of calculation: Calculate as accurately as possible, vacation hours paid in 1954 for hourly rated employees and multiply this by average hourly earnings. (See Part I - D.)		
2. Payment for statutory holidays *not worked*	________	________
Alternate method of calculation Calculate as accurately as possible for hourly rated employees, the statutory holiday hours paid but not worked in 1954 and multiply this by straight time average hourly earnings. (See Part I - D.)		
3. Payment for sick or maternity leaves.......... Use here only payments of the nature of wages. Do not include disability benefits made from an insured plan.	________	________
4. Payments for rest periods .... Calculate by multiplying total hours spent on rest periods by average hourly earnings.	________	________
5. Payments for lunch periods .... If this cannot be separated as a payroll item, calculate in the manner described for rest periods.	________	________
6. Paid wash-up time, clothes changing time, etc..... Calculate as for rest periods.	________	________
7. Jury and witness duty and voting time allowance If this is a significant figure it will have to be arrived at by means of the general instruction at the head of this section, that is, taken from the payroll.	________	________
8. Payments for time lost due to death in family......	________	________
9. Payment to union negotiators for time spent on grievances, negotiations, etc.	________	________
10. Wage payments made to employees on military service	________	________
11. TOTAL PAYMENTS FOR TIME NOT WORKED	________	________

B. PAYMENTS FOR EMPLOYEE HEALTH AND SECURITY BENEFITS

N.B. — General Instruction

For each item below, enter full amount paid by the company in 1954 on behalf of hourly rated employees. Do not include any contributions made by employees, but enter only the Company's share.

	Total dollar cost in 1954	Cents per hour cost in 1954 equals cost divided by Part I-B
1. Unemployment insurance	______	______
2. Workmen's compensation	______	______
3. Pension plan premiums Exclude premiums for past service.	______	______
4. Pension payments not covered by insured type of plan	______	______
5. Life insurance premiums	______	______
6. Death benefits not covered by insurance	______	______
7. Sickness and accident indemnity insurance premiums	______	______
8. Sickness and accident indemnity payments not insured	______	______
9. Hospitalization, surgical and medical insurance premium	______	______
10. Hospitalization, surgical and medical care payments not insured	______	______
11. TOTAL PAYMENTS FOR EMPLOYEE HEALTH AND SECURITY	______	______

C. PAYMENTS FOR BONUSES AND EMPLOYEE SERVICES

1. Cafeteria loss Enter that part of the operating cost to the company of the employees' cafeteria that can be attributed to the hourly rated personnel.	______	______
2. Cost of social, educational and recreational activities Include contributions to Christmas party, baseball team, bowling, special classes, etc.	______	______
3. Profit sharing payments for 1954	______	______
4. Christmas bonuses for 1954	______	______
5. Service awards for 1954	______	______
6. Suggestion awards for 1954	______	______
7. Other special bonuses for 1954	______	______
8. TOTAL PAYMENTS FOR EMPLOYEE ACTIVITIES FOR 1954	______	______

D. TOTAL COST OF FRINGE BENEFITS —

A plus B plus C	______	______

Personnel Management

*By Professor Hugh Wilkinson**

LAST OCTOBER I was privileged to meet with your Group at the P. N. P. M. A. General Conference where I gained a great deal from joining in various meetings and discussions. I am very happy to have this opportunity of meeting with you again, because it was as direct result of that conference that tonight's topic suggested itself to me.

You may remember that, at the final session, I put forward the view that the test of success of any staff department is the effect of its work on the primary function of the organization. This primary function is carried out in the front line of business; in the sales contacts, in the manufacturing operations and in the discharge of service obligations to customers. This is as true of the personnel department, as it is for maintenance, accounting, industrial engineering, design or purchasing. So long as managers of these functions keep this perspective and work towards better front line operations, they can, and will, contribute to the welfare of the enterprise. On the other hand, the stage is set for wasteful and unproductive performance of these inherently valuable functions if this perspective is lost. This happens, for instance, when the department starts visualizing its work as an end in itself, a separate and distinct entity of the business not connected to the routine of production and sales; or when regarded as a group of obviously necessary functions not open to question nor subject to value analysis. So, I am going to talk tonight about how you as personnel managers, can bring to bear on the front line problems skills and techniques which you have developed and are in the process of developing.

Not Personnel Managers

You are not in effect personnel managers in any other sense than that you do direct and control people in your own personnel departments; not in any other real sense than the line foreman, or the maintenance superintendent, or the chief accountant, or the sales supervisor is a manager of personnel. The management of people is the prime function of those who are responsible for the operating performance of people—each section, department, division or company head.

You know this as well as I do. But do your operating people really know it, and do you behave in a way that forces them to recognize and live up to their responsibilities in this direction? Or do you tend to give the impression that you alone are responsible for the selection, training and guidance of people? Not very long ago the activities you now perform were done by operating people without any outside guidance or help. With changes in business structure and advances in industrial and social philosophy, came increasing emphasis on and complexity in, these activities. Operating people obviously needed help, and management learned to make use of a new

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set of people equipped with the training, the outlook, the interest and the time to give this help. In this, management did no more and no less than it had done in the past by bolstering line people with specialist assistance in other fields. The difference exists perhaps, only in the method in which the help of the specialist is applied. The specialist either takes over complete responsibility for the performance of the function, or he remains as a technical advisor to the line who may call on him when they wish, who may accept or reject his advice and who then must take responsibility for the way in which the advice is applied and for the results achieved. In many of the fields I have mentioned above the specialist takes over completely but I must emphasize that if he does, he also becomes completely responsible for the impact of his specialty on the operating front, and the line supervisor is, to that extent, relieved of responsibility.

Personnel departments and personnel people have, in the main, remained in an advisory relationship to those they serve. The necessity of maintaining this advisory staff relationship in all but the most routine of your activities is one of the basic tenets of your calling. It is not my purpose to discuss the value of this stand tonight, except to say that in the majority of truly "personnel" activities, I believe it to be essential. At the same time it is necessary to realize that there are certain routine areas in which you quite rightly are given full authority and thus take full responsibility. In some respects then, the personnel man has a dual personality. In some of his dealings with the line he is the authority, and in some, the outside advisor. One of the difficulties in being a good personnel man lies in the fact that these two roles often become confused in the minds not only of the line people involved, but of the personnel man himself. He must be prepared, in fact, to have two hats, one marked "advisory" and the other marked "authority", and to be very sure that he wears the right one at the right time.

You Are Advisory

In what I consider to be the most important of your activities, selection, training, morale-building and employee relations, the hat should be the advisory one. Since in these fields you are advisory, you must leave the decision up to those who must take responsibility for front line performance. This means that you cannot direct line people in the achievement of results by which you yourself will be judged. You, more than any other group in the organization, rely on getting things done through others over whom you have no control. Your biggest job then, is to get line supervisors to realize what you have to offer is of very tangible worth to them in their operations and to show them that the performance by which they are judged can be improved through the use of your resources.

Bridging the gap between your skills and the needs of supervisors is merely then a matter of salesmanship. You have a product which is of value to the supervisor; it is up to you to sell it. It would then be worth while to examine some basic selling principles which have been found essential to success in that field.

Any successful salesman will tell you the thing which sustains him and enables him to derive maximum satisfaction from, and success in his work, is faith in his product. He must be convinced, rightly or wrongly, that what he sells is needed by his potential customers and is worth

its price. So first of all I suggest that you examine your beliefs. Do you believe that your service can help managers to do a more effective job? Do you believe that you can guide others in finding greater job satisfaction and thus better job performance? Do you believe that you are a profit-making part of the organization? If you do not believe these things, how can you convince others?

Know Your Product

Secondly, it is not enough just to have blind faith in what you are doing or can do; you must have a full understanding of exactly how the product will perform, of its limitations and of its application to a variety of circumstances. In your field there is a wide range of tools and techniques. How much do you really know about them? Have you tested them? Have you kept up to date with new developments in each field? Have you learned to distinguish useful tools from fads? Have you developed an overriding philosophy or frame of reference by which you judge whether or not a technique deserves a place in your product line?

As any new calling develops from its early beginnings, its members must develop standards of knowledge and ethics which can be communicated to all in the group, and the achievement of which becomes eventually the requirement for membership in the group. In this way you come to professional standing, not by calling yourselves professionals, but by performing such a unique and useful and skilled function that the community you serve bestows the title on you. I suggest then that in your efforts to develop towards this professional standing and subsequently in promoting the advancement of that profession, you ensure that all who call themselves personnel specialists know their product and use this knowledge in the best interest of those they serve. You are not there yet, and this is because so many of you have started in firms which regard personnel work purely as routine interviewing of prospective employees and the documentation and induction processing of successful applicants. For those of you who started in this way, it has been difficult, as the job enlarged, to keep pace with this widening scope by developing new skills, gaining new knowledge and keeping abreast of new developments.

Know Your Market

My third key to good and rewarding salesmanship, is that of knowledge of your market. A good life insurance salesman knows that there is no future in overselling a prospect. The policy he sells must be tailor-made, both in coverage and in cost, to the circumstances of the client. It is just as important, if you are going to maintain the respect of *your* clientele, that you evaluate their needs before you try to sell them anything. And so . . . do you know your market? Do you know the problems of the line supervisors? Do you know *their* prejudices? Do you know the supervisors themselves as people? Can you define the informal or political structure of their relationships with others and understand why these exist? Can you predict with any degree of certainty their reactions in given circumstances, or do you regard them all as unpredictable? Have you a reliable picture of their operating conditions? Do you know the people they supervise? I am suggesting by these questions, that there are two basic things that you must know about the market—"the supervisor". You must know what his problems are and you must know what sort of a person he is.

Without this knowledge, it is unlikely that you can marshall the correct set of tools and techniques with which to give him the most help.

Then Sell

You may be able to measure up very well to these three standards. You may know and have faith in your product and know the needs of the market, but may not achieve success because you do not know how to sell, or how to convince the man who must buy your proposal that what you suggest is worth its cost in money or trouble. No proposal of yours is worth anything unless the supervisor is so well convinced that he not only accepts it, but implements and follows up the implementation with continued interest in its results. Many failures to put across a good product stem from the fact that one tends to talk more about how good a product is, rather than how these good points will benefit the customer. Tell him then, in the best way you can, what tangible benefits he will achieve through the use of your proposal; . . . and be prepared, with honest and objective measures of past success, to back up what you are telling him.

Other barriers to successful selling . . . the unwillingness of the salesman to compromise on details, or to incorporate the customer's ideas in the final plan, so as to generate a feeling of participation; his failure to recognize the stone wall of refusal, before he gets to that point of no return; his inability to refrain from destructive argument, rather than relying on the force of persuasion. It is a pity to deny a customer the benefit of a good proposal, suited to his needs, through clumsy handling of this sales talk.

I have said then, that these four points, . . . faith in product, knowledge of product, knowledge of market, knowledge of how to sell . . . are the keys to achieving success in any field where you must get action through people over whom you have no authority. Many of you, I am sure, can meet the test on the first two counts; you have faith in and good knowledge of your techniques and tools. But these are brought to nothing if you are not in a position, or not in a frame of mind, to bring them to bear where they count . . . at the operating levels of the organization. Unless you know of these operating people, unless you can get them to recognize their needs, unless you can sell them on making the sacrifices necessary to meet these needs, you will be unable to realize the vast potential of a legitimate and productive function.

A Short Survey of Job Evaluation in The Toronto Area

By K. C. Livingstone and J. R. McLorg *

Interest in Job Evaluation in the Toronto area has been growing for some years. Questions have been asked such as:

How widely has Job Evaluation been used in the Toronto area?

When did business firms in this area become interested?

Are there various types of plans?

Is there one plan which is more highly favoured?

Has there been wide application to salary paid jobs as opposed to hourly jobs?

Answers to these and other questions have been collected by the authors in a recent study. It should be noted that these answers are for the most part factual statements concerning the present state of development of Job Evaluation and are not intended as a discussion of the pros and cons of this technique. Before presenting the results of the study, the definition of Job Evaluation as used herein will be examined and the sampling technique on which the results are based will be outlined.

Some firms contacted did not feel that they had a system for the evaluation of jobs, whereas for purposes of this study, they had and were included with those having systems of Job Evaluation. Other firms contacted were of the opinion that they were utilizing a system for evaluating jobs whereas for purposes of this study they were considered as not having a system. The definition of Job Evaluation as used herein is:

> any formal and systematic effort to relate each job to the remaining jobs within a department or organization.

There are two aspects to this definition. Firstly, the program must make use of a systematic method to examine jobs. Secondly, the technique must be used to compare individual jobs within a group of jobs.

A sample of 141 firms was divided firstly into two divisions:

(a) those using plans covering hourly paid employees,

(b) those using plans covering salary paid employees.

In order to assess roughly whether size of firm, within limits, bore any relation to the use of Job Evaluation, each of divisions (a) and (b) were divided further, on the basis of size, into two groups. Thus, in effect, four sample groups were used. The hourly paid sample groups were drawn at random from a "List of Manufacturing Establishments Employing 50 Hands or Over" as published by the Dominion Bureau of Statistics This list includes firms manufacturing a wide variety of products such as electrical equipment, food, drugs, paper, gasoline, soap, steel goods, aluminum goods, plastics, textiles, rubber goods, etc. The sampling technique used in this division allows the results as derived from the sample to be applied to hourly paid groups in the Toronto area with a high degree of confidence. In this division firms employing from 200 - 500 employees were considered small and firms employ-

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ing over 500 employees were considered large.

Sampling was more difficult in the Salary Paid division. Since no ready-made list of firms covering this division was available from which to draw our sample, the sample was drawn from two private lists and additionally from firms in the hourly paid division. Thus in addition to firms previously mentioned, financial institutions such as banks and insurance companies and service organizations such as telephone, medical and transportation groups were sampled. However, since these lists may not be representative, the reader should be cautioned against applying generalizations based upon the results of this sample to the Salary Paid Groups in the Toronto area. Of course, the results are valid for the sample. In this division firms employing 200 or fewer employees were considered small and those employing over 200 were considered large.

It should be noted that while 141 firms were sampled, 151 returns were filed. The additional returns are a result of selecting single firms for both the hourly and the salary paid samples.

The divisional and group results are summarized in Table I. Some of these are worthy of comment. For example, about 37% of the 103 firms surveyed in the hourly rated division use some system of Job Evaluation. The same statement applies to about 50% of the 48 firms surveyed in the salary rated division. The difference between the percentages of small and large firms using Job Evaluation seems to be more marked in the hourly rated division. In fact small firms employing hourly rated people seem to use systematic methods of evaluating jobs less than any of the other groups.

Let us list some of the reasons offered by firms for not using plans for evaluating jobs. They believe that:

> their organizations are too small to support the work and expense required;
>
> their firms are in the process of changing rather rapidly and therefore jobs are not sufficiently stable in content to warrant formal evaluation;
>
> job descriptions may standardize jobs;
>
> their jobs are too complex to

SURVEY OF JOB EVALUATION IN THE TORONTO AREA

Table 1

	Hourly Rated Division Number	Hourly Rated Division Per Cent	Salary Rated Division Number	Salary Rated Division Per Cent
Group Number	1 (200-500 Employees)		3 (200 Employees or Less)	
Total Small Firms	56	55[1]	16	33[2]
using Job Evaluation	13	30	7	44
not using Job Evaluation	39	70	9	56
Group Number	2 (More than 500 Employees)		4 (More than 200 Employees)	
Total Large Firms	47	45[1]	32	66[2]
using Job Evaluation	21	45	17	53
not using Job Evaluation	26	55	15	47
Sum Total Firms	103		48	
Total using Job Evaluation	38	37[1]	24	50[2]

1. These percentages apply to the hourly rated division.
2. These percentages apply to the salary rated division.

All other percentages apply to their respective groups.

be evaluated in a formal and systematic manner;

their jobs are not sufficiently complex to be evaluated in a formal and systematic way.

Now let us examine some of the detailed information collected from firms using Job Evaluation plans. What follows is a summary of the answers to a series of specific questions asked of these firms.

the use of systems for evaluating jobs appears to have been a post-war development, most plans being organized between the years 1946 and 1951.

perhaps four distinctive systems can be identified currently: the Ranking system, the Classification system, the Factor Comparison system and the Factor-Point system. (Some features of each can be combined; other features cannot.) Over two-thirds of those using a plan have used the factor-point system or a derivation thereof. However, there seems to be some confusion concerning terminology, as a few respondents replied that they used a combination of all four types of plans.

the most frequent difficulties encountered by those using a factor system of some kind were:

the defining of the factors,

evaluating the degree of factors within jobs and training of evaluators.

about one-half of the firms having a plan deal with a Union. Some of these firms met with strong opposition from their Unions; in fact two firms discontinued their plans as a result. Other firms undertook Job Evaluation at the request of the Union. A few who do not have a plan indicated that they expect to find demands for programs of this type on next year's bargaining list.

about one-third of those replying used professional consultants to aid them in designing and installing their plans.

two-thirds of the respondents had their programs installed by a committee as opposed to an individual reporting to a committee. Almost all of those using a committee listed among its members a representative of the personnel or of the standards department. A number — about one-quarter — invited employees' representatives to sit on this committee. A few also invited consultants to sit on the committee. The number of persons composing these committees varies —the most usual number being 6.

about one-half of those replying involved the job holder in the process of evaluation. Many firms invited him to assist in the description of his job; a few asked him to indicate his agreement with the description by affixing his name to it; a few firms did both.

Finally, one of the more significant findings was the multitude of uses realized as a result of Job Evaluation programs. The respondents were given a check list of 6 possible uses:

establishing proper wage relationships

assisting in Personnel Selection

understanding organizational or promotional lines

settling job content grievances

assisting in implementing incentive or merit rating plans

solving work flow problems.

Almost all firms reported that their programs were adopted as a method of establishing proper wage relationships. Only one organization stated that Job Evaluation had not proven useful for at least one other purpose. Most suggested that three or more uses evolved.